

# United States Senate

WASHINGTON, DC 20510

## *How Much Could the New NDEA Proposal Send to New York Dairy Farmers?*

US Senator Charles E. Schumer today unveiled new bipartisan legislation to protect New York's dairy farmers from low milk prices that could provide \$53 million more than the current MILC program. Over the last four years, New York dairy farmers have endured fluctuating prices that dipped as low as only \$12.96 for hundred weight of milk, greatly impacting the bottom line for thousands of local farmers. Although MILC restored millions for farmers over this period, the relief fell short.

This report illustrates the aid that would go to New York's dairy farmers if the National Dairy Equity Act (NDEA) was in place in an average year. In addition, because a large portion of NDEA payments come from milk processors and not the federal government, the government would have saved hundreds of millions of dollars – \$30 million in New York alone.

**The following shows the county-by-county impact of the NDEA compared to the MILC program. Note: These figures represent the payments to local dairy farms for an average year. Actual payments under both programs could be higher or lower depending on the actual price of milk that year. Average year based on milk price data from 1998 to 2003.**

**Capital Region:** Under the NDEA, 755 dairy farmers in the Capital Region could receive \$9.5 million annually – \$5.4 million more than under the current MILC program. The federal government could also save \$3 million in the Capital Region alone under the NDEA program.

County	Number of Farms	Potential Annual Payments under New NDEA Proposal	Potential Annual Payments under Current MILC Program	Increased Annual Income under New NDEA Proposal	Annual Government Savings under New NDEA Proposal
Albany	16	\$203,000	\$87,000	\$117,000	\$64,000
Fulton	54	\$485,000	\$207,000	\$278,000	\$154,000
Montgomery	252	\$2.4 million	\$1 million	\$1.4 million	\$746,000

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Rensselaer	83	\$1.5 million	\$638,000	<b>\$856,000</b>	\$474,000
Saratoga	51	\$1 million	\$448,000	<b>\$601,000</b>	\$332,000
Schenectady	10	\$113,000	\$48,000	<b>\$65,000</b>	\$36,000
Schoharie	106	\$915,000	\$391,000	<b>\$524,000</b>	\$290,000
Washington	183	\$2.9 million	\$1.3 million	<b>\$1.6 million</b>	\$912,000
<b>Capital Region</b>	<b>755</b>	<b>\$9.5 million</b>	<b>\$4.1 million</b>	<b>\$5.4 million</b>	<b>\$3 million</b>

**Central New York:** Under the NDEA, 948 dairy farmers in Central New York could receive \$11.7 million annually – \$6.7 million more than under the current MILC program. The federal government could also save \$3.7 million in Central New York alone under the NDEA program.

<b>County</b>	<b>Number of Farms</b>	<b>Potential Annual Payments under New NDEA Proposal</b>	<b>Potential Annual Payments under Current MILC Program</b>	<b>Increased Annual Income under New NDEA Proposal</b>	<b>Annual Government Savings under New NDEA Proposal</b>
Cortland	166	\$2.1 million	\$895,000	<b>\$1.2 million</b>	\$664,000
Madison	241	\$2.9 million	\$1.2 million	<b>\$1.6 million</b>	\$905,000
Oneida	339	\$3.3 million	\$1.4 million	<b>\$1.9 million</b>	\$1 million
Onondaga	122	\$2.8 million	\$1.2 million	<b>\$1.6 million</b>	\$888,000
Oswego	80	\$626,000	\$267,000	<b>\$359,000</b>	\$198,000
<b>Central New York</b>	<b>948</b>	<b>\$11.7 million</b>	<b>\$5 million</b>	<b>\$6.7 million</b>	<b>\$3.7 million</b>

**Rochester/Finger Lakes:** Under the NDEA, 861 dairy farmers in the Rochester/Finger Lakes area could receive \$15.8 million annually – \$9.1 million more than under the current MILC program. The federal government could also save \$5 million in the Rochester/Finger Lakes area alone under the NDEA program.

County	Number of Farms	Potential Annual Payments under New NDEA Proposal	Potential Annual Payments under Current MILC Program	Increased Annual Income under New NDEA Proposal	Annual Government Savings under New NDEA Proposal
Livingston	86	\$2.8 million	\$1.2 million	<b>\$1.6 million</b>	\$880,000
Monroe	25	\$532,000	\$227,000	<b>\$305,000</b>	\$169,000
Ontario	116	\$2.4 million	\$1 million	<b>\$1.4 million</b>	\$757,000
Seneca	88	\$892,000	\$381,000	<b>\$511,000</b>	\$283,000
Wayne	76	\$1.2 million	\$494,000	<b>\$663,000</b>	\$367,000
Yates	207	\$1.4 million	\$618,000	<b>\$829,000</b>	\$459,000
Cayuga	158	\$4.8 million	\$2 million	<b>\$2.7 million</b>	\$1.5 million
Schuyler	26	\$587,000	\$250,000	<b>\$336,000</b>	\$186,000
Tompkins	79	\$1.3 million	\$538,000	<b>\$722,000</b>	\$399,000
<b>Rochester/ Finger Lakes</b>	<b>861</b>	<b>\$15.8 million</b>	<b>\$6.7 million</b>	<b>\$9.1 million</b>	<b>\$5 million</b>

**Hudson Valley:** Under the NDEA, 267 dairy farmers in the Hudson Valley could receive \$3.2 million annually – \$1.9 million more than under the current MILC program. The federal government could also save \$1 million in the Hudson Valley alone under the NDEA program.

County	Number of Farms	Potential Annual Payments under New NDEA Proposal	Potential Annual Payments under Current MILC Program	Increased Annual Income under New NDEA Proposal	Annual Government Savings under New NDEA Proposal
Columbia	53	\$1 million	\$478,000	<b>\$641,000</b>	\$355,000
Dutchess	30	\$352,000	\$150,000	<b>\$202,000</b>	\$112,000
Greene	35	\$199,000	\$85,000	<b>\$114,000</b>	\$63,000

Orange	92	\$978,000	\$417,000	<b>\$560,000</b>	\$310,000
Putnam	--	--	--	--	--
Rockland	--	--	--	--	--
Sullivan	48	\$469,000	\$200,000	<b>\$269,000</b>	\$149,000
Ulster	8	\$109,000	\$47,000	<b>\$63,000</b>	\$35,000
Westchester	1	\$12,000	\$5,000	<b>\$7,000</b>	\$4,000
<b>Hudson Valley</b>	<b>267</b>	<b>\$3.2 million</b>	<b>\$1.3 million</b>	<b>\$1.9 million</b>	<b>\$1 million</b>

**North Country:** Under the NDEA, 1706 dairy farmers in the North Country could receive \$20 million annually – \$11.4 million more than under the current MILC program. The federal government could also save \$6.3 million in the North Country alone under the NDEA program.

County	Number of Farms	Potential Annual Payments under New NDEA Proposal	Potential Annual Payments under Current MILC Program	Increased Annual Income under New NDEA Proposal	Annual Government Savings under New NDEA Proposal
Jefferson	333	\$4.5 million	\$1.9 million	<b>\$2.6 million</b>	\$1.4 million
Lewis	313	\$3.6 million	\$1.6 million	<b>\$2 million</b>	\$1.1 million
St. Lawrence	461	\$4.9 million	\$2.1 million	<b>\$2.8 million</b>	\$1.6 million
Clinton	156	\$2.7 million	\$1.1 million	<b>\$1.5 million</b>	\$843,000
Essex	20	\$258,000	\$110,000	<b>\$148,000</b>	\$82,000
Franklin	191	\$2.3 million	\$985,000	<b>\$1.3 million</b>	\$731,000
Hamilton	--	--	--	--	--
Warren	--	--	--	--	--
Herkimer	232	\$1.8 million	\$775,000	<b>\$1 million</b>	\$575,000
<b>North Country</b>	<b>1706</b>	<b>\$20 million</b>	<b>\$8.6 million</b>	<b>\$11.4 million</b>	<b>\$6.3 million</b>

**Southern Tier:** Under the NDEA, 1415 dairy farmers in the Southern Tier could receive \$12.6 million annually – \$7.2 million more than under the current MILC program. The federal government could also save \$4 million in the Southern Tier alone under the NDEA program.

County	Number of Farms	Potential Annual Payments under New NDEA Proposal	Potential Annual Payments under Current MILC Program	Increased Annual Income under New NDEA Proposal	Annual Government Savings under New NDEA Proposal
Chenango	290	\$2.5 million	\$1.1 million	<b>\$1.4 million</b>	\$793,000
Otsego	297	\$2.2 million	\$952,000	<b>\$1.3 million</b>	\$707,000
Allegany	142	\$1.3 million	\$538,000	<b>\$722,000</b>	\$399,000
Steuben	280	\$2.5 million	\$1.1 million	<b>\$1.5 million</b>	\$801,000
Broome	68	\$1 million	\$441,000	<b>\$592,000</b>	\$327,000
Chemung	30	\$352,000	\$150,000	<b>\$202,000</b>	\$112,000
Tioga	99	\$1.2 million	\$494,000	<b>\$663,000</b>	\$367,000
Delaware	209	\$1.6 million	\$671,000	<b>\$901,000</b>	\$498,000
<b>Southern Tier</b>	<b>1415</b>	<b>\$12.6 million</b>	<b>\$5.4 million</b>	<b>\$7.2 million</b>	<b>\$4 million</b>

**Western New York:** Under the NDEA, 1144 dairy farmers in Western New York could receive \$20.7 million annually – \$11.8 million more than under the current MILC program. The federal government could also save \$6.6 million in Western New York alone under the NDEA program.

County	Number of Farms	Potential Annual Payments under New NDEA Proposal	Potential Annual Payments under Current MILC Program	Increased Annual Income under New NDEA Proposal	Annual Government Savings under New NDEA Proposal
Erie	140	\$2.2 million	\$952,000	<b>\$1.3 million</b>	\$707,000
Genesee	109	\$3.6 million	\$1.5 million	<b>\$2.1 million</b>	\$1.1 million
Niagara	47	\$1.3 million	\$568,000	<b>\$762,000</b>	\$421,000

Orleans	35	\$493,000	\$210,000	<b>\$282,000</b>	\$156,000
Wyoming	243	\$7.8 million	\$3.3 million	<b>\$4.5 million</b>	\$2.5 million
Cattaraugus	327	\$2.3 million	\$999,000	<b>\$1.3 million</b>	\$741,000
Chautauqua	243	\$2.9 million	\$1.3 million	<b>\$1.6 million</b>	\$909,000
<b>Western New York</b>	<b>1144</b>	<b>\$20.7 million</b>	<b>\$8.9 million</b>	<b>\$11.8 million</b>	<b>\$6.6 million</b>

*Source: Schumer estimates based on milk production data from the New York Agricultural Statistics Service; data from the US Department of Agriculture and from Hoard's Dairyman, National Survey of Dairy Farms; and analysis done by economists with KEO Consulting.*